

To the Members of the California State Senate:

I am returning Senate Bill 1738 without my signature.

I strongly agree with the need to focus attention on improving health outcomes of disabled Medi-Cal beneficiaries. Strategies to slow the rate of growth in Medi-Cal expenditures are an essential component to restoring the state's fiscal balance and achieving coverage for all Californians through comprehensive health care reform.

Unfortunately, I cannot support this bill in its current form with our ongoing fiscal challenges. Instead, I would ask the author and stakeholders to work with my Administration to identify strategies to ensure these beneficiaries receive the right care, at the right time, in the right setting. This solution should be a statewide solution that focuses on primary care and comprehensive coordinated care management.

I look forward to supporting a future proposal in this area.

Sincerely,

Arnold Schwarzenegger